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SUBJECT: CODEL MCCONNELL'S APRIL 5 MEETING WITH PRESIDENT MUBARAK

Classified By: Ambassador Margaret Scobey for reasons 1.4 (b) and (d).

11. (C) Key Points

- -- President Mubarak told CODEL McConnell he feared that the new Israeli government would be "very difficult to work with," in particular Foreign Minister Lieberman, whose public statements have already had a very negative impact on Arab public opinion.
- -- On Palestinian reconciliation, Mubarak said he saw "progress," but it would take time. Egypt was working hard to help establish a national unity government by year's end. Palestinian factions would return to Cairo for further negotiations April 24.
- -- Most arms smuggling into Gaza is by sea, not via tunnels under the Egypt-Gaza border.
- -- Mubarak stressed that Iraq needs a strong leader so that it can stand against Iran; however, this will be difficult to do via democracy.
- -- Egypt is doing "the maximum" to help in Sudan. He said he had warned Sudanese president Bashir that he must speak "politically and legally, not threateningly" and added that Egypt was increasing its efforts to help ameliorate human suffering in Sudan.
- -- Egypt's economy has been hurt by the global economic crisis. Suez Canal revenues are down 25 per cent; exports, tourism, and remittances are also down.
- -- The most serious internal problem facing Egypt is population growth at 1.3 million every year.
- 12. (C) On April 5, Senators Mitch McConnell (R-KY), Saxby Chambliss (R-GA), John Barrasso (R-WY), and James Risch (R-ID) met with President Hosny Mubarak for one hour at the Presidential Palace in Cairo. Presidential Spokesman Soliman Awad, Foreign Minister Aboul Gheit, the Ambassador, three professional Senate staffers, and ECPO Minister Counselor as note taker also attended. Senator McConnell thanked Mubarak for his friendship with the United States and his leadership in the region, especially in the Arab-Israeli conflict.

Concern About New Israeli Government

13. (C) Mubarak said he was working hard to bring about peace between the Palestinians and Israel, but added that his work had recently become much harder with the election of the new Israeli government. Recent public statements, in particular those of foreign minister Avigdor Lieberman, were of particular concern. Mubarak said he had asked former Israeli Prime Minister Ehud Barak to deliver a message to Prime Minister Netanyahu to rein in his ministers and instruct them to be more careful with their public statements. "When Lieberman said there will be no

concessions to the Palestinians without war, I was shocked," Mubarak said.

Palestinian Reconciliation

 $\underline{\P4}$. (C) In response to Senator McConnell's query about the way forward towards peace, Mubarak said that Egypt's focus now was on Palestinian reconciliation. There has been "some progress," Mubarak averred, but forming a new coalition government will take time. Salam Fayyad is trusted by all, he added, but "Hamas is not happy with Aboul Gheit explained that Egypt had made an "offer" to both Fatah and Hamas during their recent talks in Cairo; "let the West Bank government act as a caretaker until the next elections in January 2010." Fatah had agreed, but Hamas had to confer with its leadership in Damascus. Both delegations departed, but would return to Cairo on April 24 with their decisions, Aboul Gheit said. In response to a question about why the Palestinian people elected Hamas in 2006, Mubarak said that Fatah had not been ready for the elections, but the United States had refused to consider a delay as the Palestinians and Egyptians had requested. Only 20 per cent of the Palestinians in Gaza support Hamas, Mubarak said, "but they are scared of them because they are armed and tough.

Tunnels and Smuggling

15. (C) On smuggling arms into Gaza, Mubarak said Egypt finds tunnels "all the time." Those on the Egyptian side are "little," while the "big tunnels" are on the Gaza side. They are mostly used for bringing in consumer goods to Gaza; "Hamas even collects customs duty on them." Ammunition and small arms might be smuggled via the tunnels, but, Mubarak stressed, large arms would have come another way such as by sea.

Iran and Iraq

 $\underline{\ \ }$ (C) Turning to Iran, Mubarak said that dealing with Iran "is America's business." Iran only started to "breathe" once the United States removed Saddam from the scene. While he was alive, Iran did not dare meddle with Iraq, or to move freely in the Gulf, or to work with Hamas or stir up trouble in the region. Senator McConnell asked if the United States had made it easier for Iran by removing Saddam. "Yes, removing Saddam from power was the biggest mistake ever committed." Mubarak said he had warned former President Bush not to attack Iraq. The Iraqi people are "very tough." Iranians are the same; in fact, the peoples of Iran and Iraq are "two of a kind." Both of them find shedding blood "easy." Asked about the chances for democracy to survive after the withdrawal of U.S. troops from Iraq, Mubarak smiled and said, "My dear friends, democracy in Iraq equals killing. The nature of those people is completely different. They are tough and bloody, and they need a very tough leader. They will not be submissive to a democratic leader." Asked for his opinion of Iraqi Prime Minister Neuri Al Malliki Mubarak demurred of Iraqi Prime Minister Nouri Al-Maliki, Mubarak demurred. "I have no comment to make about him except this: if they don't like him, they will kill him." Asked if violence will increase in Iraq once U.S. forces depart, Mubarak said the best way to ensure a peaceful transition is for there to be a military coup. "There is no other way," Mubarak stressed. "As I told Secretary of Defense Gates last year, the only solution is to strengthen the military and security forces, arm and train them, wait for the emergence of some generals, don't oppose them, then stay in your camps in the desert and don't interfere. The military will control Iraq like the ayatollahs control Iran.'

17. (C) Egypt is against any nuclear weapons in the region, Mubarak said. President Obama seems intent on opening a dialogue with Iran, which is fine; "there is no need for war." But Iran is very dangerous. Perhaps the way to convince Iran to halt its nuclear program is to use economic sanctions. It is important for the U.S. to be aware of how the issue looks to others in the region. "What about the Shia of eastern Saudi Arabia? Or those in Bahrain, who make up 65 per cent of the population, or Kuwait where they are 30 per cent?" The GCC countries will want the United States to be very careful in how it deals with Iran; otherwise, it will "create problems" for them. In response to Senator Chambliss' question regarding Israel and the Iranian nuclear program, Mubarak said that Israel will never allow Iran to have a nuclear weapon. "I told (former president George W.) Bush that even if you do not attack Iran, what will you do if Israel does and Iran shoots back at Israel? You will be forced to attack Iran. It is a complicated issue. It is very difficult for us to accept Israeli nuclear facilities, too. If you leave the Iranians alone, you invite them to do the same. We must all work to find a peaceful, political solution to the problem, "Mubarak said, "and leave war as a last resort." Asked if the Iranians understand the gravity of the situation, Mubarak said, "I do not know what is in their minds." It is difficult to deal with the Iranians, Mubarak went on. "We have told them if they want to normalize relations with us, they must do three things: rename the street in Tehran named after the assassin of Sadat; turn over to us those who were connected with the Sadat assassination who are in Iran; and give us the terrorists who tried to assassinate me in Addis Ababa. But they refuse.

Afghanistan

18. (C) Asked if the U.S. should commit more troops to Afghanistan, Mubarak said such a decision must be made based on NATO's assessment, but reminded the CODEL that after eight years of bloody fighting, the Russians had failed in the end. He added that the terrain in Afghanistan reminded him of the terrain in Yemen -- as did the ubiquitous and all-powerful tribal system. You cannot mix democracy and tribalism, Mubarak said. The Saudis tried it once, he said, but failed. "When the king said to try democracy in a Saudi village, the extremists won, and that was the end of the experiment." If the extremists took over in Saudi Arabia as they have in Iran, they would do the same thing -- "kick out all the infidels from the oil fields." oil fields." The only way to govern in such societies, Mubarak continued, is not by democracy, but rather through co-opting the tribal chiefs. Aboul Gheit interjected that the coalition forces in Afghanistan rely on ethnic Tajiks and Uzbeks; it is a mistake to ignore the ethnic Pashtuns, he stressed, who make up 70 per cent of the populations.

Syria

¶9. (C) Turning to Syria, Mubarak said the key was for Israel to make peace with Syria first, which would automatically drive a wedge between Syria and Iran. Iran does not accept the existence of Israel, Mubarak explained; Syria's negotiating with Israel is a "slap" to Iran. "Iran considers anyone who deals with Israel to be an enemy — including Syria." The United States should therefore do all it can to encourage Syria to re-start discussions with Israel.

Sudan

110. (C) On Sudan, Mubarak said that he was doing "the maximum" to help. He said that he had met Sudanese president Omar Bashir during a recent visit to Cairo and had told him to stop "threatening" the ICC and the international community, but instead to speak "politically and legally." "I told him to talk sense." Foreign Minister Aboul Gheit added that he and Intelligence Chief Omar Soliman had gone to Khartoum to see Bashir and to advise him that if he could not rescind his decision to expel Western NGO's, then he must take action to ensure that the humanitarian assistance they had been providing continues to reach the people. Aboul Gheit said that Egypt had increased its direct support to Sudan, including digging water wells. There needs to be a global discussion to find a comprehensive way out of Sudan's problems, Aboul Gheit stressed. "We need to postpone the ICC warrant, and we need time to ensure stability and security in Darfur. Egypt is already working with the UN, the EU, the Arab League, and the African Union on finding solutions."

Egypt's Greatest Challenge

111. (C) Senator McConnell asked Mubarak what his greatest challenge was. "Population growth," Mubarak said. Egypt's population increases by 1.3 million people each year, he added. Asked about privatization and economic reforms, Mubarak said, "We made some headway, but then stopped." He noted that earlier banking reforms had paid off during the global financial crisis and that Egypt's banking system was "stable." However, other sectors of the economy have been hit hard, especially the biggest income-earners. "Suez Canal revenues are down 25 per cent; export earnings are down, and so is tourism." Aboul Gheit added that workers' remittances, mostly from the Gulf, are also shrinking as Egyptians abroad lose their jobs -- and incomes -- and return home, adding to the ranks of the unemployed in Egypt. The worsening world economic situation also affects the flow of foreigners into Egypt, especially from Sudan, Aboul Gheit offered. Because many consumer products are subsidized, Egypt becomes an attractive target for immigrants and smugglers, "which gives us another reason to want stability in Sudan."

- 12. (C) Senator McConnell asked if Mubarak had any plans to visit the United States. "Perhaps; I know the King of Jordan is going on April 21. Perhaps I can come when things are calmer."
- $\underline{\mbox{1}} 13.$ (U) CODEL McConnell was unable to clear this cable before departure.

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